

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to you, because your interest may be affected, that the City Council of the City of Carlsbad will hold a public hearing in the Council Chambers, 1200 Carlsbad Village Drive, Carlsbad, California, at 6:00 p.m. on Tuesday, November 10, 2009, as required by Section 147(f) of the Internal Revenue Code of 1986 with respect to the proposed issuance by the California Municipal Finance Authority (the "Authority") of its revenue bonds in one or more series in an amount not to exceed \$35,000,000 (the "Bonds"). The proceeds of the Bonds will be used by Gemological Institute of America, Inc. (the "Borrower"), a California nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, to (1) refinance the California Statewide Communities Development Authority Variable Rate Demand Revenue Bonds (Gemological Institute of America, Inc. Project), Series 2001 (the "2001 Bonds") and (2) pay certain expenses incurred in connection with the issuance of the Bonds.

The 2001 Bonds were used to refinance the acquisition, construction and equipping of certain administrative and educational facilities, including classrooms, administrative offices, a library, laboratories and parking facilities located at 5345 and 5355 Armada Drive, Carlsbad, California (the "Campus"), to finance the acquisition of certain laboratory equipment to be used at the Campus and a portion of the acquisition of real property on the corner of Cannon and Legoland Drive in Carlsbad and related capital improvements (collectively, the "Project"), and to fund certain reserves and pay other costs related thereto. The Project is owned and operated by the Borrower.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto shall not constitute indebtedness or an obligation of the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

Those persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be refinanced, are cordially invited to attend the public hearing. Copies of the agenda bill will be available on and after November 6, 2009. If you have any questions, please contact Lisa Irvine, Finance Director at 760-602-2430 or lisa.irvine@carlsbadca.gov.

Written comments should be addressed to the City Clerk, City of Carlsbad, 1200 Carlsbad Village Drive, Carlsbad, California 92008 prior to the public hearing.

Carlsbad City Council

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